

INDIANA HOUSING & COMMUNITY DEVELOPMENT AUTHORITY



Indiana Hardest Hit Fund

Hardest Hit Fund Escrow Services
Request for Proposals

Date of Publication: August 2, 2011

Response Due Date: Friday, September 2, 2011 by 5:00 EST

Summary and Background

Purpose of Request for Proposals.

Indiana Housing and Community Development Authority (“IHCDA”) requests proposals from qualified entities, as established by Indiana statutes, to provide escrow services for the Indiana Hardest-Hit Fund Unemployment Bridge Program (“UBP”) as specified in this Request for Proposals (“RFP”).

About the Indiana Housing and Community Development Authority.

Mission Statement

IHCDA’s mission is for every Hoosier to have the opportunity to live in safe, affordable, good-quality housing in economically stable communities. IHCDA believes that growing Indiana’s economy starts at home.

Overview

IHCDA was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCDA's programs are successful in large part because of the growing network of partnerships we have established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers. For more information, please visit: <http://www.in.gov/ihcda/>.

Summary of Indiana Foreclosure Prevention Network and Hardest Hit Fund

In 2007, Indiana began addressing the problem of foreclosure with the launch of a major statewide initiative to assist Hoosiers in danger of losing their homes. The Indiana Foreclosure Prevention Network (“IFPN”) was developed by a coalition of community organizations, housing-related agencies, government agencies, lenders and banks.

Through this partnership of the public, private and nonprofit sectors, a toll-free helpline, 1-877-GET-HOPE was established (the “Helpline”). The Helpline is available seven (7) days a week, from 8 a.m. to 8 p.m. For anyone who may be at risk of foreclosure, the Helpline provides free and confidential financial consulting with no obligation or commitment. Helpline operators then refer the homeowner to a certified foreclosure intervention specialist. For more information, please visit: www.877gethope.org.

The U.S. Department of the Treasury (the “Treasury”) established the Housing Finance Agency Innovation Fund for the Hardest-Hit Markets in early 2010 to provide financial assistance to families in the states most impacted by the downturn of the housing market. Subsequently on August 11, the Treasury announced that Indiana received approximately \$83 million to help unemployed homeowners pay their mortgages. IHCDA will administer the program and use the funding to help families who have fallen behind on their mortgage loans due to the loss of employment. Homeowners experiencing a financial hardship due to

unemployment may begin submitting applications online or over the phone in early 2011. On September 29, Treasury announced that it would be awarding Indiana an additional \$139 million (approximately) to provide additional homeowner assistance.

IHCDA has worked with Lieutenant Governor Becky Skillman, the Indiana Department of Workforce Development and IFPN partners to develop a comprehensive, statewide strategy. The plan aims to assist approximately 16,000 homeowners who are experiencing financial hardship and are at risk of mortgage loan default or foreclosure. UBP program options will assist homeowners with financial hardships who have been unable to qualify for existing loan modification and foreclosure prevention programs.

For more information on the UBP program, please visit www.877gethope.org.

Scope of Work

Overview of Services and Responsibilities.

IHCDA is requesting proposals from qualified organizations with demonstrated experience in escrow services. IHCDA intends to utilize HHF funds to pay (in full) HHF participants' mortgage obligations while they are enrolled in the HHF program. A full description of the program is outlined in the Indiana HHF Term Sheet at www.877gethope.org.

In some cases, eligible homeowners will have mortgage loans that are not escrowed for the purposes of paying property taxes and insurance. In order to be able to assist those clients with paying their full mortgage obligation (including principal, interest, property taxes and insurance), it is necessary for IHCDA to contract with a qualified escrow agent who is able to hold HHF funds in escrow in an interest bearing account and pay the property taxes and insurance of these particular eligible homeowners.

Specific Services and Responsibilities.

Escrow services to be delivered under the contract awarded under this RFP shall include:

- Collecting homeowners' estimated property tax and insurance payments for the term of HHF assistance from IHCDA at the time of enrollment. Note that these collections will not come from the individual borrowers but, rather, HHF funds directly from IHCDA. Therefore, these escrow accounts will not be subject to guidelines under the Real Estate Settlement Procedures Act of 1973 (RESPA).
- Using the amounts collected as outlined above, the Contractor will hold funds in separate, individual escrow accounts and make timely property tax and insurance payments for all non-escrowed homeowners enrolled in HHF.
- Refunding IHCDA for any remaining unpaid funds in the accounts at termination of HHF assistance. This may be done on a monthly basis.
- Preparing reports on escrow account activity and any account refunds/shortages for each homeowner enrolled in the HHF escrow service.

It is projected that approximately 4,000 clients will need to utilize this service over the course of the HHF program, which IHCDA estimates program will cease at or about 2014. However, IHCDA makes no assurance that such projections will be realized.

Eligible Costs

Applicants must submit a detailed schedule of fees and costs for which the escrow services, including reports, will be provided. The all-inclusive fee structure must include the estimated number of hours per task, salary per hour per job classification, fringe rate, training costs, and travel costs. All of the above may be included in a flat fee.

Program Period

All escrow services for this contract must be completed by September 1, 2012.

Period of Performance

The contract awarded shall be for a one-year period with the option to extend the contract for three additional one-year periods based on need, performance, and funding availability.

Requirements for Proposal Response

The application package consists of one (1) original proposal and two (2) copies. The deadline for accepting applications is 5:00 PM, Eastern Standard Time, on Friday, September 2, 2011. Mail all information to the following address:

Ms. Stephanie Reeve
Indiana Housing & Community Development Authority
30 S. Meridian Street, Suite 1000
Indianapolis, IN 46204
Attention: HHF Escrow Services RFP

A complete response includes the information listed below. Responses received without all of the items will be considered incomplete, and will be withdrawn from consideration.

- 1) Name, address, phone number, fax number, email address, and brief description of firm (1-2 pages).
- 2) Describe your organization's qualifications, including at least three years' experience in providing similar services (1 page).
- 3) Résumés of key personnel to be assigned to this project, highlighting skills, abilities, and knowledge relating to the delivery of the proposed services (1-3 pages).
- 4) Three (3) or more firm references (1 page). At least two (2) of the references must deal directly with the firm's delivery of file monitoring services.
- 5) Description of services to be provided by the firm which meets the services requested by the Scope of Work section of this RFP (up to 5 pages).
- 6) Provide a complete line-item budget and an accompanying budget narrative (up to 3 pages) for each anticipated project expense listed below. Include the following components:
 - a. The annual time commitment and eligible costs for each position associated with the activities, including fringe benefits. Explain how fringe benefits rates were computed.
 - b. All anticipated outsourcing expenses, if any, which are necessary to complete the contract. Note: all outsourcing by the Contractor must be pre-approved by IHCD.
 - c. Projected travel costs for all related personnel.
 - d. All indirect and direct administrative expenses, including overhead, training costs, etc.
 - e. Any additional anticipated expenses and rationale.
- 7) Financial statements for previous two (2) years, preferably audited (2-3 pages).

All complete responses received on or before the deadline will be reviewed for selection. Please contact hfh@ihcda.in.gov for additional information or clarification.

Evaluation Criteria

IHCDA will evaluate responses on the following rubric (maximum score of 40 points) shall include:

Criteria	Total Possible	Total Awarded	Evaluator's Comments
1. Compliance with all items set forth in the "Requirements for Proposal Response" section	2 points maximum		
2. Skills, abilities, and knowledge of key personnel to be assigned to the project relating to the delivery of the services set forth in the "Scope of Work" section	7 points maximum		
3. Skills, abilities, and knowledge of firm relating to the delivery of the services set forth in the "Scope of Work" section	5 points maximum		
4. Firm's references and financial standing	8 points maximum		
5. Firm's service delivery plan	7 points maximum		
6. Cost to provide all services set forth in the "Scope of Work" section	8 points maximum		
7. Firm is an Indiana based organization, employing primarily residents of Indiana	2 points maximum		
8. Firm is a MBE/WBE	1 point maximum		

Timeline

Solicitation and Publication of Request for Proposals*:	Wednesday, July 20, 2011
Deadline for Proposal Submission**:	Friday, September 2, 2011 by 5:00pm EST
Execute contract with selected provider:	Friday, September 30, 2011
Start Date of Services:	Friday, September 30, 2011

** Written questions on this RFP may be directed to hhf@ihcda.in.gov and answers will be posted on the HHF page at www.877gethope.org*

*** Respondents will be notified by mail and/or email stating if they are awarded a contract or not.*

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Terms and Conditions

This request is issued subject to the following terms and conditions:

1. IHCD A expressly reserves the right to modify or withdraw this request at any time, whether before or after any responses have been submitted or received.
2. IHCD A reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFP, including but not limited to: incomplete responses and/or responses offering alternate or non-requested services.
3. IHCD A reserves the right to reject any or all firms, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed to be in its best interest.
4. In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCD A may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another respondent.
5. In no event shall any obligations of any kind be enforceable against IHCD A unless and until a written agreement is entered into.
6. Each respondent agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses submitted hereunder or for any costs or expenses incurred during negotiations.
7. By submitting a response to this RFP, each respondent waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of a respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.
8. IHCD A reserves the right not to award a contract(s) pursuant to this RFP.